



April 22, 2019

Jason Rabinovich, Esquire
Law Offices of Jason Rabinovich, PLLC
1700 Market Street, Suite 1005
Philadelphia, Pennsylvania 19103

Re: Real Estate Consulting Services for
Property Located at 2505 Orthodox Street,
City of Philadelphia 19137, OPA 88-
4350210

Dear Mr. Rabinovich:

In accordance with your request, a Brokers' Opinion of Value has been developed with submission of the attached on the real estate at the above-captioned location. The value estimate is expressed in terms of cash but assumes that there are no liens or other indebtedness against the property. The property rights reflect the fee simple interest in the land and the existing improvements comprising the subject property, described herein as of the effective inspection date of April 15, 2019.

SCOPE OF THE ASSIGNMENT: In preparing the Brokers' Opinion of Value, only an exterior inspection of the subject property was completed. Research of public records was made to verify the ownership, zoning, real estate assessment and taxes. In developing the conclusions, comparable market data was analyzed within this process. The client or any other entities that receive a copy of this document are assumed to be familiar with the real estate at this location. The information provided herein is a summary of the pertinent data used in the analysis.



Jason Rabinovich, Esquire
Law Offices of Jason Rabinovich, PLLC
April 22, 2019
Page Two

Based upon an exterior inspection only, review of comparable market data and other information provided for this analysis, the Broker's Price Opinion as of April 15, 2019 is as follows:

\$300,000 to \$330,000

An exposure/marketing time is estimated to be 12 months. Thank you for the opportunity to be of service and please contact us if there are any questions pertaining to this submission.

Sincerely

A handwritten signature in black ink that reads 'Christopher J. Hall'.

Christopher J. Hall
President, Appraisal Division
PA Broker License No. AB-049439-L

CJH:pb



TABLE OF CONTENTS

PROPERTY OVERVIEW	1
SALES COMPARISON APPROACH.....	4
ASSUMPTIONS AND LIMITING CONDITIONS	8
DEFINITIONS.....	10
EXHIBITS	12
OPA PARCEL RECORD	
QUALIFICATIONS	

PROPERTY OVERVIEW



** Aerial view shown for illustration purposes only*

Property

2505 Orthodox Street, City of Philadelphia, Pennsylvania, OPA # 88-4350210

Ownership and Occupancy

The property is in the ownership of Jonathon Barger and the property is owner-occupied as Frankford Plating and utilized for industrial purposes.

Site Description

The property consists of a slightly irregular-shaped parcel containing 9,957 square feet with 40 feet of frontage along the northeasterly side of Orthodox Street. The site has a level topography and is elevated at the street grade. The property is served by all public utilities and is zoned ICMX - Industrial Commercial Mixed-Use District.

The site is improved with a one-story, masonry industrial building containing 7,422 square feet. The building is in excess of 50 years of age and in fair condition based upon an exterior inspection.



PROPERTY OVERVIEW – (Continued)

Assessment and Real Estate Taxes

The property is assessed by the City of Philadelphia as follows:

Land	\$50,940
Improvements	<u>\$288,660</u>
Total	\$339,600
Tax Rate	<u>1.3998%</u>
Real Estate Taxes	\$4,754

The assessment ratio is 100% and is reasonably consistent with the price expectation concluded herein.

Location Overview

The subject property is situated in the Bridesburg Section of Lower Northeast Philadelphia, just south of Aramingo Avenue with convenient access to I-95. The immediate neighborhood is characterized as commercial/industrial with nearby land uses consisting of one-story masonry buildings with occupancies oriented toward construction, auto-service and service suppliers. Representative occupancies include PIM Stone, Best Choice Construction, Best Choice Plumbing, Concrete Cutting Systems, Northeast Auto Body and Capital Valve Service. Orthodox Street is a single-lane, southbound artery that is improved with concrete curbs and pedestrian walks and served by on-street parking.

The subject property conforms to neighboring land uses and is adequately suited for a variety of industrial-type uses.

Highest and Best Use

The property has a history of owner-occupancy and the existing improvements maximize the land area. Based upon the current zoning and historical use, continued industrial use is considered to be the highest and best use under current market conditions.

PROPERTY OVERVIEW – (Continued)



VIEW ALONG ORTHODOX STREET, FACING NORTH



VIEW ALONG ORTHODOX STREET, FACING SOUTH

SALES COMPARISON APPROACH

The building improvement is in excess of 50 years of age and has been historically owner-occupied. As such, the Cost Approach and Income Capitalization Approach are not applicable for purposes of this analysis. The Sales Comparison Approach is most applicable as it reflects the actions of market participants.

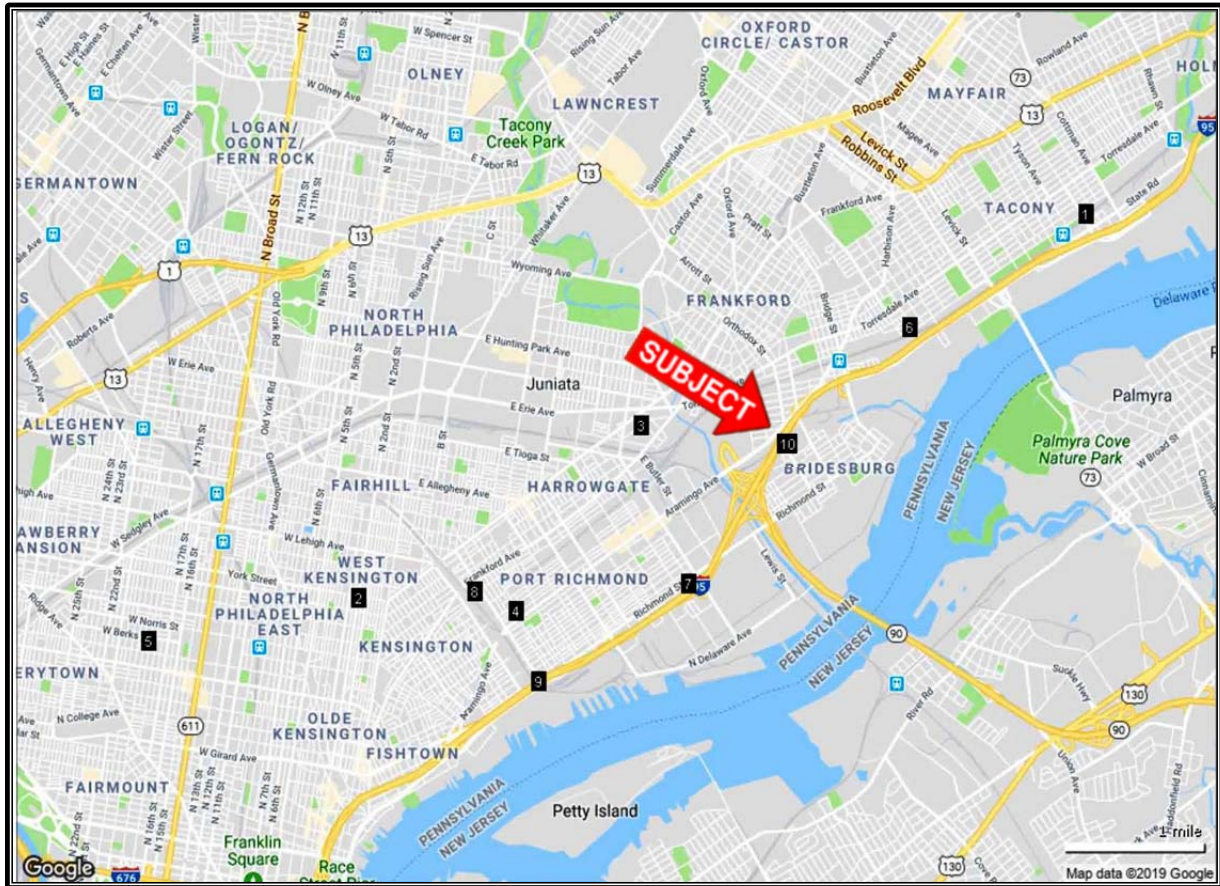
This method provides a basis of pricing expectation for the subject property through a comparison with comparable improved sales. Improved sales which are selected for comparison should be competitive properties that have sold as close to the date of valuation as possible.

As no two properties are exactly alike, a comparison of comparable sales requires adjustments which reflect upon market value. Improved industrial and commercial properties are normally adjusted on a unit rate basis, being a price per square foot of building area, including the land. That rate is developed by dividing the total sale price by the total building area.

A search for comparable improved properties extended within a competitive geographical area of the subject property. An adequate number of sales and offerings were available in order to establish an indication of value under this Approach. After reviewing the market data, the following sales have been selected for comparison.



SALES COMPARISON APPROACH - (Continued)



PHILADELPHIA INDUSTRIAL BUILDING SALES					
Sale	Property Address	Sale Date	Sale Price	Bldg. Sq. Ft.	Price/Sq. Ft.
1	4925 Princeton Ave	Jan-19	\$645,000	13,719	\$47.02
2	2346-2354 N 2nd St	Oct-18	\$550,000	12,000	\$45.83
3	3832 Jasper St	Oct-18	\$430,000	9,200	\$46.74
4	2860 Memphis St	Aug-18	\$875,000	16,780	\$52.15
5	1841 N 19th St	Aug-18	\$650,000	12,600	\$51.59
6	5729-5737 Tulip St	Jun-18	\$525,000	13,557	\$38.73
7	2809-2815 E Victoria St	Apr-18	\$475,000	13,447	\$35.32
8	2740 Amber St	Dec-17	\$500,000	14,385	\$34.76
9	2747-2755 Salmon St	Jul-17	\$375,000	10,797	\$34.73
10	2528 Orthodox St	Apr-17	\$120,000	2,280	\$52.63
	Low		\$120,000	2,280	\$34.73
	High		\$875,000	16,780	\$52.63
	Mean		\$514,500	11,877	\$43.95

A sample of the comparable building sales is presented on the following page.

SALE 1 - 4925 PRINCETON AVENUE



SALE 4 - 2860 MEMPHIS STREET



SALE 6 - 5729-37 TULIP STREET



SALE 10 - 2528 ORTHODOX STREET





SALES COMPARISON APPROACH - (Continued)

Correlation of Sales Comparison Approach

Comparable sales were derived from the Lower Northeast Philadelphia section of the City with building sizes ranging from 2,280 to 16,780 square feet. The comparable buildings are all in excess of 50 years of age. Sale 10 is located just south of the subject property along Orthodox Street. All of the sales occurred within the last 24 months.

The unadjusted unit rate range is \$34.73 to \$52.63 per square foot of gross building area, including the land. The indicated mean of the comparable sales is \$43.95. The subject property is considered typical of the market as indicated by the range and the average building size in the market.

The comparable sales support a unit rate range for the subject property of \$40.00 to \$45.00 per square foot. Applying that unit rate range to the gross building area of 7,422 square feet results in a price expectation range of **\$300,000 to \$330,000**, rounded.



ASSUMPTIONS AND LIMITING CONDITIONS

THIS ASSIGNMENT HAS BEEN MADE WITH THE FOLLOWING ASSUMPTIONS:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. The plot plans and illustration material in this Report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that the property is in full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined and considered in the Assignment.
8. Unless otherwise stated herein, the existence of hazardous material, which may or may not be present on the property, was not observed by the broker. We have no knowledge as to the extent of such materials on or in the property and we are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. All conclusions are predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
9. The Americans with Disabilities Act (ADA) became effective January 26, 1992. For this submission, there was no specific compliance survey or analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA.
10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated.



ASSUMPTIONS AND LIMITING CONDITIONS - (Continued)

11. It is assumed that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed.
12. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass.
13. The indicated property value includes only those items classified as real estate. No items of machinery & equipment or personal property are included.
14. Possession of this document, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser and in any event only with proper written qualification and only in its entirety.

DEFINITIONS

Pertinent definitions are as follows:

Market Value

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;*
- (2) both parties are well informed or well advised, and acting in what they consider their interests;*
- (3) a reasonable time is allowed for exposure in the open market;*
- (4) payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and*
- (5) the price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone¹*

Gross Building Area

“Gross Building Area (GBA) is defined as the total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.”²

Net Rentable Building Area

“Net Rentable Building Area (NRA) of the floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building.”³

¹ Office of Comptroller of the Currency, Title 12, Section 34.42(g); FDIC Law, Regulations and Related Acts, Section 323.2; and The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice (USPAP)*, 2018 – 2019 Edition.

² Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th Edition, 2015.

³ Building Owners and Managers Association International ANZI/BOMA Z65.1-2010

DEFINITIONS – (Continued)

Fee Simple Interest

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”⁴

Leased Fee Interest

“The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.”⁵

Leasehold Interest

“The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.”⁶

Exposure Time

“The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the price opinion. A retrospective opinion based on an analysis of past events assuming a competitive and open market.”⁷

Marketing Time

“An opinion of the amount of time it would likely take to sell a real or personal property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of the price opinion.”⁸

⁴ Appraisal Institute, *The Appraisal of Real Estate*, 13th Edition, 2008.

⁵ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th Edition, 2015.

⁶ Ibid.

⁷ The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice (USPAP)*, 2018–2019 Edition.

⁸ Ibid.



EXHIBITS



OPA PARCEL RECORD

2505 ORTHODOX ST

Philadelphia, PA 19137-1624

OWNER

BARGER JONATHON

MAILING ADDRESS

2505 ORTHODOX ST
Philadelphia, PA
19137-1624

VALUATION HISTORY

Year	Market Value	Taxable Land	Taxable Improvement	Exempt Land	Exempt Improvement
2020	\$341,800	\$51,270	\$290,530	\$0	\$0
2019	\$339,600	\$50,940	\$288,660	\$0	\$0
2018	\$329,800	\$49,470	\$280,330	\$0	\$0
2017	\$307,900	\$26,500	\$281,400	\$0	\$0
2016	\$307,900	\$26,500	\$281,400	\$0	\$0
2015	\$307,900	\$26,500	\$281,400	\$0	\$0
2014	\$307,900	\$26,500	\$281,400	\$0	\$0

Note: Taxable and exempt land values can represent:

1. The contributory value of land in relation to the total market value, or
2. Where no structure is present, the value of vacant land

Consistent with International Association of Assessing Officers (IAAO) standards, the value of an improved parcel is separated into the portion of value attributed to the improvement and the portion of value attributed to the land.

SALES DETAILS

SALES PRICE: **\$82,300**

SALES DATE: 1/7/2001

PROPERTY DETAILS

OPA ACCOUNT: 884350210
HOMESTEAD EXEMPTION: No
DESCRIPTION: IND SHOP MASONRY
CONDITION: Average
BEGINNING POINT: 613'10 3/8" W OF
LAND AREA (SQFT): 9,992
IMPROVEMENT AREA (SQFT): 6,981
ZONING: ICMX
Zoning data source: Planning and Development

CORRECTIONS OR QUESTIONS ABOUT THIS INFORMATION?:



QUALIFICATIONS OF CHRISTOPHER J. HALL

EXPERIENCE

Mr. Hall is President of the Appraisal Division of Binswanger and has been involved in the inspection and analysis of commercial, industrial, and residential real estate since 1986. Valuations and analyses have been prepared for properties located in forty (40) U.S. States, Mexico, Guatemala, Panama, Brazil and Japan.

EXPERT TESTIMONY

U.S. District Court for the Northern District of Illinois, Chicago, IL
Third Judicial Circuit Court for Wayne County, Detroit, Michigan
Colorado State Board of Assessment Appeals, Denver, CO
Connecticut Superior Court, New Britain, CT
Court of Common Pleas, Philadelphia, PA
Court of Common Pleas, Montgomery County, PA
Federal Bankruptcy Court, New York, NY

Real Estate Assessment Hearing Testimony in the City of Philadelphia; Adams, Berks, Bucks, Blair, Carbon, Chester, Delaware, Franklin, Monroe, Montgomery, Northampton, and Westmoreland Counties, Pennsylvania and Frederick County, Virginia

LICENSE/CERTIFICATION

Real Estate Broker: Commonwealth of Pennsylvania License No. AB-049439-L
Certified General Real Estate Appraiser State Certifications held in:
 Pennsylvania License No. GA-000213-L
 Georgia License No. 5593
 New Jersey License No. 42RG00141600
 New York License No. 46000031750
 Virginia License No. 4001 010393

PROFESSIONAL AFFILIATIONS

Member of the Tristate Commercial & Industrial Association of Realtors
Associate Member - Appraisal Institute

EDUCATION

Temple University, 1986: B.B.A., Major in Real Estate
Continuing education through the Appraisal Institute, Temple Real Estate Institute, and various vocational and educational institutions for broker licensure and appraiser certifications requiring up to twenty-eight (28) hours biannually.

TECHNICAL TRAINING

Courses completed through the Appraisal Institute include:
Basic Valuation Case Studies in Valuation
Real Estate Appraisal Principles Report Writing and Valuation Analysis
Standards of Professional Practice Capitalization Theory & Techniques - Parts A & B



QUALIFICATIONS OF CHRISTOPHER J. HALL - (Continued)

SCOPE OF APPRAISAL ACTIVITY

TYPES OF PROPERTIES

Industrial Plants & Land	Office Buildings	Shopping Centers & Malls
Commercial Buildings & Land	Apartments	Institutional Properties
Hotels & Lodging Facilities	Nursing Homes	Residential Subdivisions

UNIQUE ASSIGNMENTS

Refinery and Petrochemical Operations on 1,700 acres, Marcus Hook and Philadelphia, PA

625,000 Square Foot Semiconductor Manufacturing Facility, Irving, TX

900,000 Square Foot Pharmaceutical Laboratory, Vivarium and Office, Wallingford, CT

9.3 Million Square Feet of Institutional Property on 1,806 Acres in Bronx, Queens
and Suffolk County, NY

Three PA State Correctional Facilities with a 3,300-inmate capacity in multiple buildings
totaling 962,000 sq. ft. on 680 acres

Five Decommissioned Electrical Generation Power Plant Sites in Pennsylvania

Methane Gas Powered Generation Station from Landfills, Fairless Hills, PA

Barbadoes Island, an 83-acre industrial zoned island in the Schuylkill River, Norristown, PA

Former Clinton County Airport on 740 acres, Plattsburgh, NY

1.2 Million Square Foot Industrial Complex, New Holland, PA

720,000 Square Foot Refrigerated Warehouse, Ocala, FL

600,000 Square Foot Shopping Center, Harahan, LA

LWB Refractories 1,258-acre Manufacturing and Quarry Site
(White Marble/Aggregate Crushed Stone), York County, PA

96-Suite Hotel, Key West, FL

Ice Hockey Rinks in Harrisburg, Mechanicsburg, and King of Prussia, PA

420-Acre Subdivision for 450 Residential Units and 1.3 Million Square Feet of
Office, Retail, Flex, and Hotel Development, Berks County, PA

Rider University's Westminster Choir College 16-Building Campus, Princeton, NJ

Temple University Campus comprising 300,000 square feet on 183 acres, Ambler, PA

The Academy of Natural Sciences Museum, Philadelphia, PA

Private School on 200 acres, Redding, California

Petrochemical Storage Site, Altamira, Mexico

Automotive Parts Manufacturing Facility in Porto Alegre, Brazil

Office Buildings in Rio de Janeiro, São Paulo, and Belém, Brazil

Multi-Property Assignments in Barra da Tijuca, Botafogo, Urca and Angra dos Reis
Districts, RJ, Brazil

Pharmaceutical Manufacturing Facility and Corporate Office, São Paulo, Brazil

Multiple Pharmaceutical Manufacturing Facilities, Guatemala City, Guatemala

900,000 Sq. Ft. Semiconductor Manufacturing/Assembly Facility, Sendai, Japan

QUALIFICATIONS OF CHRISTOPHER J. HALL - (Continued)

REAL ESTATE ANALYSES HAVE BEEN PREPARED FOR:

ABB, Inc.	Handy & Harman
Agere Systems	Hanson Industries
Bank of America	Hexcel Corporation
Bayer	Hitachi
Bell Atlantic/Verizon	IBM
BP Lubricants	Jockey International, Inc.
Bristol-Myers Squibb	Johnson & Johnson
Brown & Williamson Tobacco	LWB Refractories
Buckeye Technologies	Motorola
Cargill	McGraw-Hill, Inc.
Caterpillar	PECO Energy
Calgon Carbon	PEP Boys
Comcast Corp.	PICUS/Princeton University
Citibank	Pirelli Tire
Coastal Mart	Philips Electronics
Coors Brewing Co.	Republic Engineered Products
Dana Corporation	Rider University
Danaher Corporation	Rohm & Haas Company
Dresser Industries	Shell Oil
Drexel University	SFK
Eastman Kodak Company	Smiths Industries
Exelon Corp.	Sony Corporation
Exide Technologies	Sunoco
ExxonMobil	Swift & Co.
Fleet Capital Corporation	Tasty Baking Co.
Federal Mogul Corporation	Teleflex
FMC Corporation	Temple University
Ford-New Holland, Inc.	U.S. Department of State
GAF Roofing Materials	Unisys
GE Capital Corporation	Visteon
General Electric	Whirlpool Corporation
General Motors Corporation	Wells Fargo
Grand Metropolitan, Inc.	WinCup